



TD SYNEX Special Report: MSPs' Strategic Investments in Business Consulting and Planning are Paying Off

11/1/2023

65 percent of MSPs surveyed list business consulting and planning as their top investment priority, and 75 percent of MSPs expect business growth

FREMONT, Calif. & CLEARWATER, Fla.--(BUSINESS WIRE)-- Findings of a new TD SYNEX (NYSE: SNX) Managed Service Provider (MSP) Special Report show that MSPs are positioning themselves for growth through a keen focus on business planning and expansion of technology offerings. This new special report is a supplement to the **TD SYNEX 2023 Direction of Technology Report** and focuses on the survey respondents that identified themselves as MSPs.

While 65 percent of respondents noted business consulting and planning investments were imperative, a full 80 percent said that expanding their solution offerings was important or very important for growth.

"These results track with how we view the MSP partner journey and growth strategy. The MSPs we work with cite the critical need for strategic planning, business development, alongside training and enablement to leverage the opportunities presented by lucrative high-growth technologies," said Sergio Farache, Chief Strategy Officer, TD SYNEX. "With the current pace of change across the technology landscape, it is clear MSP respondents are focused on pulling the right levers to ensure their financial success. Our MSP Special Report was purpose built for MSPs to provide important insights that help inform and grow their businesses."

Respondents shared that networking (28 percent) and security (27 percent) were top revenue drivers over the past 12 months. And looking ahead, MSPs expect the top areas for growth will be Data Analytics (37 percent), Artificial Intelligence/Machine Learning (37 percent), and Augmented Reality/Virtual Reality (31 percent) as top areas for growth, overtaking both networking (30 percent) and security (27 percent).



The MSP data was collected as part of the second-annual **Direction of Technology (DoT) Report**, which surveyed channel partners, including resellers, systems integrators, service providers, and MSPs. The MSP report, which was conducted in partnership with Canalys, identified three key trends:

- Skills gap remains a challenge, especially when it comes to hiring for high growth technology expertise.
 - MSPs say that talent recruitment and retainment (46 percent) and ongoing technical education (33 percent) are among their top challenges, along with keeping up with the rapid technological change (45 percent).
 - Not surprisingly, Data Analytics (33 percent), security (26 percent), networking (24 percent) and AI/ML (22 percent) are the top skills they are hiring for, in line with the solutions they anticipate driving the most revenue in the coming years.
- MSP revenue expectations are in line with wider channel expectations. Respondents split priorities for growth among acquisition and organic, global expansion, new technology offerings and new vertical markets.
 - 75 percent of respondents expect revenue growth in 2023 and beyond. On average those self-selecting as an MSP derive 20 percent of revenue from the sale of managed services, compared to 15 percent in overall channel.
 - Three quarters of MSPs ranked as very important or important, growth through acquisition (73 percent) or organically (77 percent). Less than half (47 percent) cited actively seeking a buyer as important.
 - Approximately 70 percent of respondents say that global expansion (69 percent) and entry into new vertical markets (66 percent) are important or very important. This is in addition to the 80 percent who noted that expanding their solution offerings was important or very important.
- Regulatory pressures are real, with ESG (Environmental, Social, and Governance) jumping in importance.
 - Approximately one-third of MSPs say that rapid regulatory change (36 percent) and meeting and documenting ESG standards (34 percent) are challenges to their business.
 - While data protection (72 percent) and cybersecurity (54 percent) rank at the top of the list today, in two years' time that changes dramatically with ESG (42 percent) ranking at the top of the list compared to data protection (35 percent) and cybersecurity (38 percent).

“This data underscores the competing needs and priorities for MSP growth, as well as the challenges to that growth, TD SYNEX’s unrivalled market insights, specialized solutions, deep industry relationships and global reach that help MSP leaders cut through complexity, guiding them to higher growth opportunities and helping them flourish today and long into the future,” said Jill Kermes, Corporate Vice President, Global Corporate Communications and Citizenship.

The survey was conducted from May to July 2023 and captured feedback from more than 550 B2B channel partners

from over 60 countries in global regions of North America, Europe, Latin America and the Caribbean (LAC), and Asia Pacific and Japan (APJ). Of those respondents, 227 self-identified MSPs participated in the survey.

To download the MSP survey findings, as well as the full 2023 Direction of Technology report, visit <https://www.tdsynnex.com/dot>.

About TD SYNEX

TD SYNEX (NYSE: SNX) is a leading global distributor and solutions aggregator for the IT ecosystem. We're an innovative partner helping more than 150,000 customers in 100+ countries to maximize the value of technology investments, demonstrate business outcomes and unlock growth opportunities. Headquartered in Clearwater, Florida, and Fremont, California, TD SYNEX's 23,500 co-workers are dedicated to uniting compelling IT products, services and solutions from 1,500+ best-in-class technology vendors. Our edge-to-cloud portfolio is anchored in some of the highest-growth technology segments including cloud, cybersecurity, big data/analytics, AI, IoT, mobility and everything as a service. TD SYNEX is committed to serving customers and communities, and we believe we can have a positive impact on our people and our planet, intentionally acting as a respected corporate citizen. We aspire to be a diverse and inclusive employer of choice for talent across the IT ecosystem. For more information, visit www.TDSYNEX.com or follow us on [LinkedIn](#), [Facebook](#) and [Instagram](#).

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Source: TD SYNEX